

Ayrshire Farmers Mutual Telephone Co.

Employee Policy 34

Page 1

DISCIPLINARY SYSTEM

Ayrshire Farmers Mutual Telephone Company encourages each employee to develop his/her performance to the highest level. To achieve this level, an employee cannot let lateness and absenteeism, failure to follow work rules and policies, or unacceptable job performance interfere with his/her job.

When a problem occurs, the employee generally will be directed to change the unacceptable behavior or performance problem. The disciplinary process includes, but it not limited to, the following steps:

VERBAL WARNING AND COUNSELING:

If the Manager views your behavior or performance on the job as unacceptable he/she will counsel you regarding the problem area.

WRITTEN WARNING AND COUNSELING:

If the unacceptable behavior or performance continues after counseling, your Manager will document the behavioral or performance problem, previous discussions, the current situation and conditions regarding necessary improvements. You will receive a copy of the memo and a copy will be retained in your employee file. Continuation of the unacceptable behavior or performance after verbal and/or written warning **WILL BE CAUSE FOR SUSPENSION AND/OR TERMINATION.**

SUSPENSION:

If the nature and level of severity of the problem warrant such a step, you may be suspended for a period not to exceed five (5) working days. You will not be paid during the suspension period, and documentation of the suspension will be placed in your employee file. In the suspension discussion, your Manager will explain to you why you are being suspended. The existence of this suspension option shall not imply that suspension will always occur. If the nature and severity of the problem warrant such an action, you will be terminated. This policy applies only to non-exempt personnel. It does not apply to managerial staff



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Employee Policy 34

Page 2

TERMINATION:

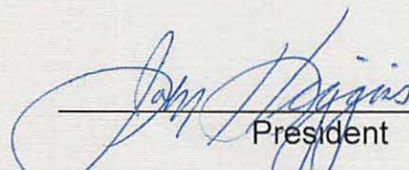
In the event of a serious problem or when all measures of progressive disciplinary action regarding behavioral or performance problems have been taken and there is insufficient improvement, employment will be terminated.

THE STEPS TAKEN AND TIME ALLOWED FOR RESOLUTION IS DEPENDENT UPON THE NATURE AND SEVERITY OF THE PROBLEM. AYRSHIRE FARMERS MUTUAL TELEPHONE COMPANY RESERVES THE RIGHT IN ITS SOLE DISCRETION TO REVISE OR IMPLEMENT ANY PORTION OF THIS POLICY AT ANY TIME. THE ORDER OF AND DISCIPLINARY STEPS TAKEN ARE DETERMINED BY AYRSHIRE FARMERS MUTUAL TELEPHONE COMPANY. ALL EMPLOYEES ARE AT WILL AND MAY BE TERMINATED AT ANY TIME WITHOUT CAUSE OR NOTICE.

TERMINATION OF EMPLOYMENT

All employees are employees at will. Employment with Ayrshire Farmers Mutual Telephone Company can be terminated with or without cause and with or without notice by either the employee or the employer. However, we would like to encourage you to give two weeks notice prior to voluntary termination. The Ayrshire Farmers Mutual Telephone Company will make severance arrangements on an individual basis, if management in its sole discretion deems it appropriate. All employees are expected to turn in all Ayrshire Farmers Mutual Telephone Company keys, uniforms, and any other property of the Company upon termination.

August 26, 1999
Approved Date



President